



HOW TO DO BUSINESS WITH THE CITY OF COSTA MESA

City of Costa Mesa - Purchasing Division
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FOREWARD

The purpose of this document is to inform potential suppliers of the procedures for doing business with the City of Costa Mesa. The intent is to encourage open and business-like relationships between City staff and suppliers.

This brochure is intended as a general guide. Any questions, which are not answered here, may be directed to one of the purchasing staff listed above.

MISSION STATEMENT

Ensure that the materials and services required by the City are available on time, are of the best value, and are acquired with integrity.

ETHICAL STATEMENT

Purchasing is dedicated to the highest principles of fairness and competition. The department operates under the auspices of federal, state and local law. Purchasing staff are strictly prohibited from taking any actions, which do not reflect the ideals of honor and integrity in the performance of their work. The offering of gratuities or promises of future employment by vendors to any City employee is prohibited.

All vendors will adhere to the principles of equal employment opportunity with respect to hiring and promotion.

PURCHASING AUTHORITY & RESPONSIBILITIES

As part of the Financial Planning Division, Purchasing solicits bids for materials, supplies, and equipment and services for all City Departments. The Division's legal authority is found in the City of Costa Mesa Municipal Code and the State of California Government Code.

Purchases of land, and construction services for buildings and highways (public projects) are handled by the Public Services Department.

Recipient of the "Achievement of Excellence in Procurement" Award for ten years!

HOURS OF OPERATION

The Purchasing Division is open for business Monday through Friday, from 7:30 a.m. to 4:30 p.m.
The City Warehouse is open for deliveries Monday through Thursday, from 8:00 a.m. to 2:30 p.m.

OFFICE VISITS

Sales representatives are a valuable source of information in obtaining bids, specifications, state of the art advancements or product improvements, and in resolving problems in delivery, billing and payment difficulties, etc. We value your visits. However, we recommend you call for appointments in order to productively utilize our time and yours.

METHODS OF PROCUREMENT

Acquisitions of goods and services are made via Purchase Order or Order Form. All purchases are subject to the City of Costa Mesa Terms and Conditions. The City of Costa Mesa encourages competition in its purchasing practices.

The City of Costa Mesa utilizes the following methods of purchasing: formal Request for Proposal (RFP), formal Invitation for Bid (IFB), and informal Request for Quotation (RFQ - written and phone solicitations). City Departments are authorized to issue "City Order Forms" for purchases under \$1,000. All other acquisitions of goods and services require the issuance of a Purchase Order.

Formal solicitations, RFPs and IFBs, require posting of a public notice, submission of a sealed bid or proposal, public bid opening or acknowledgment and an award by the City Council. Formal IFBs and RFPs are for purchases in excess of \$50,000. These solicitations are posted to the City's web site.

Informal requests for quotation may be either written or oral. Although a sealed bid technique is not used, all informal quotations are made on a competitive basis securing quotes from at least three (3) vendors whenever possible.

TYPES OF CONTRACTS

The City of Costa Mesa normally contracts for two types of purchases, either a one time contract or a term contract.

- One Time Contract: The City procures required services or materials on a one time basis. A firm price is requested for fixed quantities with single or multiple delivery sites. Depending on the dollar amount of the purchase, the formal sealed solicitation method or informal quotation method is used.
- Term Contract: The City has established, and continues to establish, term contracts for estimated quantities of materials or services commonly used in volume by specific departments or on a City-wide basis. These contracts are awarded by a formal sealed solicitation method for a specified period of time.

BIDDERS LIST

Purchasing maintains a list of bidders desiring to do business with the City. Suppliers are responsible for keeping their information up to date. In order to be added to the vendor database or to be included on the list, interested parties are invited to submit the vendor registration application electronically.

Go to: <http://www.costamesaca.gov> and select "Online Services". Dropdown to "Register for vendor information". After you have completed the form, choose the submit button. You will receive an e-mail message thanking you for your registration and directing you back to the home page. If you need to make changes to your company information, please contact the purchasing department by e-mail purchasing@costamesaca.gov or call (714) 754-5211 or (714) 754-5212. Contractors are required to renew their vendor status annually (every November), in accordance with the California Uniform Public Construction Cost Accounting Act.

INSURANCE

If a vendor will be performing work on city premises, the vendor will need to furnish insurance certificates to the City prior to beginning work. The insurance that is required is the general liability with a separate endorsement page (detailed description below), automobile insurance and workers compensation.

General Liability Insurance Coverage

Commercial General Liability, including coverage for premises-operations, products/completed operations hazard, blanket contractual, broad form property damage, independent contractors, and personal injury.

The above insurance coverage shall have limits of not less than one million dollars (\$1,000,000) combined single limit, per occurrence and aggregate.

Endorsement Page (* A separate endorsement page must be provided)

Endorsements to the policies providing the above insurance shall be obtained by contractor, adding the following three provisions:

a) Additional insureds:

"The City of Costa Mesa and its elected and appointed boards, officers, agents, and employees are additional insureds with respect to the subject project and agreement.

b) Notice:

"Said policy shall not terminate, nor shall it be canceled nor the coverage reduced, until thirty (30) days after written notice is given to City.

c) Other Insurance:

Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."

All insurance carriers utilized by the contractor or any subcontractor under this agreement shall be approved by the California Department of Insurance to transact business in the State of California. The types of services provided under this agreement may further require contractor's insurance carrier(s) to be admitted insurers in the State of California.

Workers' Compensation Insurance

Contractor shall obtain and maintain during the life of this contract workers' compensation insurance in statutory amount and, if any work is sublet, contractor shall require all subcontractors to obtain workers' compensation insurance in statutory amount.

All workers' compensation insurance policies shall provide that the insurance may not be canceled without thirty (30) days advance written notice of such cancellation to City.

Contractor is aware of the provision of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or undertake self-insurance in accordance with the provisions of that Code, and will comply with such provisions before commencing the performance of the work of this contract.

Automobile Insurance

Automobile insurance including owned, hired, and non-owned vehicles. The above insurance coverage shall have limits of not less than one million dollars (\$1,000,000) combined single limit, per occurrence and aggregate.

DELIVERIES

All purchases are made F.O.B. destination, unless otherwise specified. The City's title to goods occurs upon satisfactory delivery and acceptance at the delivery point shown on the purchase order. Shipping charges, if applicable, must be included in the bid document.

All shipments to the City of Costa Mesa must be made to the locations designated on the purchase order. Deliveries may be required to be made to different departments and divisions located in various parts of the City. The purchase order number must appear on the receiver or delivery ticket.

PAYMENT

In order to receive payment for goods or services furnished to the City of Costa Mesa, the vendor is required to submit an original invoice to: City of Costa Mesa Accounts Payable, P.O. Box 1200, Costa Mesa, California 92628-1200. Invoices should not be sent to the using department or to the Department of Procurement. Submitting the invoice anywhere other than to the Accounting Division may delay payment.

Invoices must show: (1) City purchase order number or department organization number (if applicable); (2) Complete descriptions of the goods or services furnished; (3) Quantity; (4) Unit prices and extensions; (5) All applicable taxes; (6) The discount terms; (7) Name of department/division to which shipment was made. In addition, the invoice should include the vendor's invoice number.

The vendor receives payment from the City after delivery and acceptance of the goods, commodities, or services. The default payment terms are net 30 days.

HAZARD COMMUNICATIONS ACT

The City of Costa Mesa requires proper labeling and Material Safety Data Sheets (MSDS) on all products covered by the Hazard Communications Act – 29 CFR 1910.1200. It is the vendor's responsibility to determine which products are covered by the act and to provide the necessary MSDS with material shipments.

RECYCLED MATERIAL

The City of Costa Mesa supports the purchase of recycled materials, both in products that are reduced to raw material and remade into material that can be used for other purposes, as well as items that can be rebuilt or remanufactured and placed back into service for continuous use. In an effort to support recycling, purchasing staff will consider the purchase of recycled material if the price differential between available virgin material and recycled material is minimal.

COSTA MESA VENDORS

In 2003, the Costa Mesa City Council adopted Resolution 03-69 establishing a Costa Mesa vendor preference in the amount of 5%. As a result of the resolution, purchases are evaluated with the Costa Mesa vendor preference taken into consideration. This preference does not alter the actual bid or final contract amount.

COSTA MESA BUSINESS LICENSE

A Costa Mesa business license is required when the vendor's business location is within the City limits, when the vendor is performing services within the City limits, or when a vendor delivers goods within the City limits in a company owned vehicle.